

## EXHIBIT 2

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*Counsel for Lead Plaintiff Bradley Sostack*

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
OAKLAND DIVISION

In re RIPPLE LABS INC. LITIGATION, ) Case No. 4:18-cv-06753-PJH  
\_\_\_\_\_  
This Document Relates To: ) **CLASS ACTION**  
ALL ACTIONS ) **RESPONSE AND OBJECTIONS TO**  
 ) **DEFENDANT RIPPLE LABS INC.'S**  
 ) **FIRST SET OF INTERROGATORIES**

1 PROPOUNDING PARTY: Defendant Ripple Labs Inc.

2 RESPONDING PARTY: Lead Plaintiff Bradley Sostack

3 SET NUMBER: One

4 Pursuant to Federal Rule of Civil Procedure 33, Lead Plaintiff Bradley Sostack (“Lead  
5 Plaintiff”) hereby responds and objects to Defendant Ripple Labs Inc.’s (“Ripple” or “Defendant”),  
6 Interrogatories as follows:

7 **PRELIMINARY STATEMENT**

8 Lead Plaintiff has undertaken a reasonably diligent search to locate responsive information  
9 and respond to Ripple’s First Set of Interrogatories. Fact and expert discovery is ongoing, and it is  
10 possible that future discovery and investigation may reveal additional facts or information and/or  
11 may establish entirely new factual conclusions, which may lead Lead Plaintiff to change his  
12 responses to these Interrogatories. Lead Plaintiff reserves the right to amend and/or supplement his  
13 responses should he discover other responsive information. Lead Plaintiff also reserves the right  
14 to use subsequently discovered information in depositions, at trial, and in support of or opposition  
15 to any motion, petition or other proceeding in this matter. Lead Plaintiff makes each of these  
16 responses solely for the purpose of, and in relation to, this case.

17 Lead Plaintiff does not concede that any portion of his responses to these Interrogatories is  
18 admissible at trial or in connection with any non-discovery motion, petition or proceeding. Lead  
19 Plaintiff reserves all rights to object to the introduction of any portion of these responses—or any  
20 document produced pursuant to them—at trial or any non-discovery motion, petition or proceeding.

21 Finally, Lead Plaintiff’s objections and responses to Ripple’s Interrogatories are made in  
22 good faith. Where appropriate, Plaintiff has asserted specific objections in response to specific  
23 Interrogatories. Nevertheless, Lead Plaintiff with his responses to these Interrogatories does not  
24 waive but expressly preserve all objections on grounds of privilege, work product protection, right  
25 of privacy or any other such privilege or immunity. Lead Plaintiff further does not waive but  
26

expressly preserve their right to protect against the inappropriate and inadvertent disclosure of confidential and proprietary information belonging to Lead Plaintiff or third-parties. Lead Plaintiff's good faith responses to these Interrogatories should not be read to imply that Lead Plaintiff has in any way waived such objections or protections. To the extent Ripple attempts to interpret these Interrogatories in a way that would require Lead Plaintiff to specifically invoke any of these objections or protections, Lead Plaintiff reserves the right to do so.

## **GENERAL OBJECTIONS**

1. Lead Plaintiff objects to the Interrogatories to the extent they seek to impose obligations inconsistent with, beyond, or in addition to those imposed by the Federal Rules of Civil Procedure, the Local Rules of the Northern District of California, the Stipulated Protective Order as Modified by the Court (ECF No. 120) (the “Protective Order”), the Stipulated Order Regarding Discovery of Electronically Stored Information for Standard Litigation as Modified by the Court (ECF No. 121) (the “ESI Stipulation”), the Order Regarding the Parties’ Stipulation to Modify the Case Schedule (ECF No. 158) (“Scheduling Order”), and any other court order or stipulation governing discovery in this case.

2. Lead Plaintiff objects to the Interrogatories to the extent they seek information protected by the attorney-client privilege, the attorney work product doctrine, and/or any other applicable privileges. Lead Plaintiff will not provide any privileged and/or protected information. Any disclosure of privileged information would be inadvertent and should not be deemed a waiver of privilege.

3. Any responses to these Interrogatories provided by Lead Plaintiff are solely for the purpose of this litigation. Any attempt by Ripple or any other person or entity to use or disseminate the Responses, the information contained in the Responses, or the documents produced by Lead Plaintiff in this litigation beyond this litigation is objected to as improper and will be subject to appropriate action.

4. By these Responses, Plaintiff does not, and does not intend to: (1) waive any objections as to the admissibility of evidence or the competency of, relevancy of, materiality of, or privilege attaching to any information disclosed in these Responses; or (2) waive the right to object to other discovery requests or undertakings involving or reflecting the subject matter requested herein. These Responses do not constitute, nor should they be construed as, admissions with respect to the relevancy or admissibility of any evidence or document, or the truth or accuracy of any statement, characterization, or other information contained in Ripple's Interrogatories or in any document.

5. Lead Plaintiff objects to the Definitions and Instructions insofar as they depart from the requirements of the Federal Rules of Civil Procedure and the Local Rules. Lead Plaintiff will respond to the Interrogatories in accordance with the requirements of the Federal Rules of Civil Procedure and the Local Rules. Lead Plaintiff further objects to the use of the term “decentralized” in the definition of “XRP LEDGER.”

6. These Responses are based upon information currently known or believed to be true by Lead Plaintiff. Lead Plaintiff reserves the right to modify or supplement these Responses.

## **RESPONSES TO INTERROGATORIES**

## **INTERROGATORY NO. 1**

IDENTIFY with specificity any evidence (including any DOCUMENTS or COMMUNICATIONS relied upon) that YOU viewed and relied upon, in whole or in part, in making YOUR purchases of XRP.

## **RESPONSE:**

In addition to the General Objections, Lead Plaintiff objects to this interrogatory because it seeks irrelevant information. *See, e.g., Warfield v. Alaniz*, 569 F.3d 1015, 1021 (9th Cir. 2009) (“Under *Howey*, courts conduct an objective inquiry into the character of the instrument or transaction offered based on what the purchasers were ‘led to expect’”). Lead Plaintiff further

1 objects to this interrogatory as vague and ambiguous due to the use of the undefined term  
 2 “evidence.” Lead Plaintiff further objects to this interrogatory as overbroad and unduly  
 3 burdensome because it seeks the identification of “any evidence” that Lead Plaintiff “viewed or  
 4 relied upon, in whole or in part” in relation to transactions made five years ago.

5       Subject to and without waiving the foregoing objections, Lead Plaintiff responds as follows:  
 6 Lead Plaintiff purchased XRP on the Poloniex and Changelly exchanges in January 2018. Before  
 7 making these purchases, Lead Plaintiff reviewed news reports, social media posts, discussion blogs,  
 8 and information on Ripple’s website ([www.ripple.com](http://www.ripple.com)), including at least the following specific  
 9 materials:

- 11           • Videos posted online in which Garlinghouse discussed the price of XRP;
- 12           • Tweets from Ripple discussing the price of XRP and Ripple’s partnerships with banks  
                 and financial institutions;
- 13           • Reddit posts discussing the price of XRP, including a July 24, 2017 post by Ripple Chief  
                 Technology Office David Schwartz where Schwartz addressed why banks would “use  
                 XRP if 60% of all tokens are in the possession of Ripple”;
- 14           • Posts on xrpchat.com, including posts by Schwartz; and
- 15           • Blog posts about XRP on ripple.com.

## 19 **INTERROGATORY NO. 2**

20       For each of YOUR sales of XRP, IDENTIFY all factors that YOU considered in YOUR  
 21 decision to buy or sell XRP, including for example, without limitation, the timing of the purchase  
 22 or sale, price of XRP at the time of the purchase or sale, and choice of VIRTUAL CURRENCY  
 23 into which the sale proceeds were transferred.

## 24 **RESPONSE:**

26       In addition to the General Objections, Lead Plaintiff objects to this interrogatory as  
 27 nonsensical because, despite stating that the request is for “Each of YOUR sales of XRP,” the  
 28 interrogatory then seeks information about “factors” Lead Plaintiff considered in “buy[ing]” and

1 “purchas[ing]” XRP. Lead Plaintiff does not understand what information Defendants’ seek or  
 2 which transactions are covered by this interrogatory. Lead Plaintiff further objects to this  
 3 interrogatory as vague and ambiguous due to the use of the undefined term “factors.” Lead Plaintiff  
 4 further objects to this interrogatory because it addresses information. *See, e.g., Warfield v. Alaniz,*  
 5 569 F.3d 1015, 1021 (9th Cir. 2009) (“Under *Howey*, courts conduct an objective inquiry into the  
 6 character of the instrument or transaction offered based on what the purchasers were ‘led to  
 7 expect’”). Lead Plaintiff further objects to this interrogatory as overbroad and unduly burdensome  
 8 because it seeks the identification of “all factors” related to “sales of XRP” made almost five years  
 9 ago. Lead Plaintiff further objects to this interrogatory as containing impermissible subparts.

10         Subject to and without waiving the foregoing objections, Lead Plaintiff responds as follows:  
 11 Lead Plaintiff is willing to meet and confer with Defendants about the scope and meaning of this  
 12 interrogatory.  
 13

14 **INTERROGATORY NO. 3**

15         For each of the factors IDENTIFIED in response to Interrogatory No. 2, state whether each  
 16 factor influenced YOUR decision to buy or sell XRP.

17 **RESPONSE:**

18         Lead Plaintiff incorporates by reference his objections to Interrogatory 2. Lead Plaintiff  
 19 further objects to this interrogatory as vague and ambiguous due to the undefined term  
 20 “influenced.”  
 21

22         Subject to and without waiving the foregoing objections, Lead Plaintiff responds as follows:  
 23 Lead Plaintiff is willing to meet and confer with Defendants about the scope and meaning of this  
 24 interrogatory.  
 25

26 **INTERROGATORY NO. 4**

27         IDENTIFY each CRYPTOCURRENCY EXCHANGE on which YOU have bought or sold  
 28 any VIRTUAL CURRENCY at any time during the relevant period.

1           **RESPONSE:**

2           In addition to the General Objections, Lead Plaintiff objects to this interrogatory because it  
 3        seeks irrelevant information. Lead Plaintiff further objects to this interrogatory as an invasion of  
 4        his personal privacy and the privacy of his financial affairs. *See, e.g., Zaltzman v. Clark*, 1992 WL  
 5        426466, at \*1 (N.D. Cal. Oct. 1, 1992); *Funke v. Life Fin. Corp.*, 2003 WL 1787125, at \*2  
 6        (S.D.N.Y. Apr. 3, 2003); *Lawrence E. Jaffe Pension Plan v. Household Int'l, Inc.*, 2005 WL  
 7        3801463, at \*2 (N.D. Ill. Apr. 18, 2005). Lead Plaintiff further objects to this interrogatory as  
 8        overbroad and unduly burdensome because it seeks the identification of “any  
 9        CRYPTOCURRENCY EXCHANGE” used over more than five years.

10           Subject to and without waiving the foregoing objections, Lead Plaintiff responds as follows:  
 11          Based on a reasonable investigation to date, Lead Plaintiff used the following exchanges to buy or  
 12        sell XRP: Poloniex and Changelly.

13           **INTERROGATORY NO. 5**

14           IDENTIFY each distributed ledger or blockchain on which YOU have bought or sold any  
 15        VIRTUAL CURRENCY.

16           **RESPONSE:**

17           In addition to the General Objections, Lead Plaintiff objects to this interrogatory because it  
 18        seeks irrelevant information. Lead Plaintiff further objects to this interrogatory as an invasion of  
 19        his personal privacy and the privacy of his financial affairs. *See, e.g., Zaltzman*, 1992 WL 426466,  
 20        at \*1; *Funke*, 2003 WL 1787125, at \*2; *Lawrence E. Jaffe Pension Plan*, 2005 WL 3801463, at \*2.  
 21           Lead Plaintiff further objects to this interrogatory as overbroad and unduly burdensome because it  
 22        seeks the identification of “each distributed ledger or blockchain” used over more than five years.  
 23           Lead Plaintiff further objects to this interrogatory as vague and ambiguous, as it is unclear whether  
 24        and how the undefined terms “distributed ledger” and “blockchain” are distinct from the defined  
 25        term “CRYPTOCURRENCY EXCHANGE.” Lead Plaintiff will construe this interrogatory as not

1 addressing “CRYPTOCURRENCY EXCHANGES.”

2 Subject to and without waiving the foregoing objections, Lead Plaintiff responds as follows:  
 3 Based on a reasonable investigation to date, Lead Plaintiff has not bought or sold XRP on any  
 4 distributed ledger or blockchain.

5 **INTERROGATORY NO. 6**

6 Based on the formula set forth in Professor Steven Feinstein’s report (Exhibit 62 to YOUR  
 7 Motion for Class Certification in this action, ECF No. 181-61), IDENTIFY with particularity any  
 8 damages YOU claim to have incurred in this action.

9 **RESPONSE:**

10 In addition to the General Objections, Lead Plaintiff objects on the ground that this  
 11 interrogatory is premature because it calls for information that will be the subject of expert reports,  
 12 which will be served in accordance with this Court’s scheduling order. *See Dairy v. Harry Shelton*  
 13 *Livestock, LLC*, , 2020 WL 6269541, at \*2 (N.D. Cal. Oct. 23, 2020) (Illman, J.); *Amgen Inc. v.*  
 14 *Sandoz, Inc.*, 2017 WL 1352052, at \*2 (N.D. Cal. Apr. 13, 2017). Lead Plaintiff further objects to  
 15 this interrogatory as vague and ambiguous due to the undefined phrase “with particularity.” Lead  
 16 Plaintiff further objects to this interrogatory as it seeks information already in Defendants’  
 17 possession, as Defendants could perform the same calculations using the information provided in  
 18 this action.

19 Subject to and without waiving the foregoing objections, Lead Plaintiff responds as follows:  
 20 Section 12(a)(1) of the Securities Act states: “Any person who . . . offers or sells a security in  
 21 violation of section 77e of this title . . . shall be liable, subject to subsection (b), to the person  
 22 purchasing such security from him, who may sue either at law or in equity in any court of competent  
 23 jurisdiction, to recover the consideration paid for such security with interest thereon, less the  
 24 amount of any income received thereon, upon the tender of such security, or for damages if he no  
 25 longer owns the security.” 15 U.S.C. § 77l(a)(1). In a report submitted in support of class

1 certification, Lead Plaintiff's expert Dr. Steven P. Feinstein wrote: "Specifically, assuming liability  
 2 of Defendants is established, the damages for any particular class member who purchased XRP and  
 3 subsequently sold the XRP can be computed by quantifying the amount the investor paid for the  
 4 XRP when purchased, subtracting the amount received for the XRP when sold, and adding to that  
 5 difference the total return that would have been earned on the initial investment using a suitable or  
 6 statutory interest rate." Dkt. 181-61 ¶ 19. Exclusive of interest, *see id.* ¶ 22, Lead Plaintiff's  
 7 damages under the methodology in the Feinstein Report are: \$101,297.

8

9 **INTERROGATORY NO. 7**

10 IDENTIFY the date by which YOU contend there was a bona fide offering of XRP to the  
 11 public and all evidence YOU intend to rely on to support that contention.

12 **RESPONSE:**

13 In addition to the General Objections, Lead Plaintiff objects on the ground that discovery is  
 14 ongoing and fact depositions have not yet taken place and there is absolutely no justification or  
 15 need for Lead Plaintiff's contentions on this issue at this time. *See, e.g., Amgen Inc. v. Sandoz Inc.*,  
 16 2016 WL 913105, at \*2 (N.D. Cal. Mar. 10, 2016) ("[C]ourts in this district have placed 'a burden  
 17 of justification' on a party who seeks answers to contention interrogatories before substantial  
 18 documentary or testimonial discovery has been completed. . . . In the case where a defendant seeks  
 19 responses to early contention interrogatories from a plaintiff, courts should be 'especially vigilant'  
 20 in evaluating the proffered justifications when the plaintiff's complaint is not 'facially infirm' and  
 21 the defendant appears to have control over or adequate access to much of the evidence relevant to  
 22 its alleged misconduct."). Lead Plaintiff further objects to this interrogatory to the extent it seeks  
 23 information covered by an applicable privilege, including the attorney client privilege or the work  
 24 product privilege.

25

26 **INTERROGATORY NO. 8**

27 IDENTIFY all putative class members with whom you COMMUNICATED about the relief

1 sought in this action, including their names and the date, time, and method of such  
2 COMMUNICATIONS.

3 **RESPONSE:**

4 In addition to the General Objections, Lead Plaintiff objects to this interrogatory because it  
5 is overbroad and seeks irrelevant information. Lead Plaintiff further objects to this interrogatory  
6 to the extent it seeks information covered by an applicable privilege, including the attorney client  
7 privilege or the work product privilege.

8 Subject to and without waiving the foregoing objections, Lead Plaintiff responds as follows:  
9  
10 None.

11 Dated: January 9, 2023

SUSMAN GODFREY L.L.P.

12 By *Nicholas N. Spear*

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25 *Counsel for Lead Plaintiff Bradley Sostack*

CERTIFICATE OF SERVICE

I hereby certify that on January 9, 2023, I served the foregoing document via e-mail to the following counsel of record:

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